

PROGRAM UPDATE

Office of Worker and Community Transition

United States Department of Energy

April - June 2000

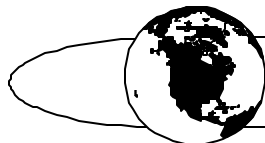
NATIONAL STAKEHOLDER WORKSHOP

The Office of Worker and Community Transition (WT) held its Eighth National Stakeholder's Workshop (Workshop) on June 26-28, 2000, at the Renaissance Hotel in Washington, D.C. The Workshop was attended by more than 200 participants who represented state and local governments, Department of Energy federal and contractor employees, labor organizations and business interest groups. The purpose of the Workshop was to provide one location for all interested stakeholders to discuss the changing issues concerning work force restructuring and community transition activities and to review the actions and commitments from the Seventh National Stakeholder's Workshop held in Chicago, Illinois on May 27-28, 1999.

The Honorable T. J. Glauthier, Deputy Secretary, Department of Energy (DOE) was the keynote speaker on June 27, 2000. Mr. Glauthier remarked that DOE is still being confronted with challenges in its contractor work force, for example, the United States Enrichment Cooperation's recent announcement of its intent to close the Portsmouth, Ohio plant, that are just as important as when it was managing major downsizing. These difficult challenges require close communication with and cooperation from all involved stakeholders; and the Workshop provides a critical forum for dealing with these challenges.

The Workshop included four plenary sessions and nine small group discussion sessions. It was designed to encourage interactive dialogue among the meeting participants by providing a two-way exchange at the end of each session which gave each participant an opportunity to express his/her concerns, issues, and suggestions. Eleven of the 13 sessions were moderated or facilitated by a WT staff member which helped participants to associate WT staff with program issues. The plenary session titles were:

- *Critical Skills Retention: Response to the Chiles Commission* reported on by Robert W. DeGrasse, Jr., Principal Deputy Assistant Secretary, Office of Defense Programs;
- *Lessons Learned in Creating a Stakeholder Alliance* moderated by Gary King, Director, WT;



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- *Headquarters and Field Coordination* moderated by Jack Blanchard, Asset Management, WT; and
- *Identification of Action Items and Resolution of Commitments* facilitated by Gary King, Director, WT.

The titles for the small group discussion sessions were:

- *Discussion on Community Commitment by the Department of Energy* moderated by Robert Baney, Grants Administrator, WT;
- *Post-Contract Benefits/Ill Workers Compensation Initiative* moderated by Terence Freese, Deputy Director, WT;
- *Work Force Restructuring Diversity Issues* moderated by Tony Carter, Special Assistant, WT;
- *Work Force Portability* moderated by Terence Freese, Deputy Director, WT;
- *CRO, Contractor, Union Coordination Panel* moderated by Jack Blanchard, Asset Management, WT;
- *Status of Portsmouth and Paducah Work Force Restructuring Activities* moderated by Terence Freese, Deputy Director, WT;
- *Economic Development/Property Conveyance* moderated by Daniel Cudaback, President, Eastern Idaho Economic Development Council;
- *Business Attraction, Using an Educated Work Force to Create Jobs and Matching Skills of Separated Workers with Potential Jobs* moderated by Robert Baney, Grants Administrator, WT; and
- *Preference-in-Hiring* moderated by Terence Freese, Deputy Director, WT.

A Workshop summary report will be prepared and distributed to all the Workshop participants. If you did not attend the Workshop but would like a copy of the summary report mailed to you, please fill out the attached request form and mail or fax it to this office using the information provided on the form.

PUBLICATIONS

The following publications are posted to the Office of Worker and Community Transition's (WT) website at www.wct.doe.gov under Program Documentation and were available at WT's Eighth



National Stakeholder's Workshop on June 26-28, 2000, in Washington, DC. If you would like a copy mailed to you, please fill out the attached request form and mail or fax it to this office using the information on the form.

ANNUAL REPORT

In May 2000, the *Annual Report on Contractor Work Force Restructuring for Fiscal Year 1999* was completed and distributed to Congress. The report is required by Section 3161 of the National Defense Authorization Act for Fiscal Year 1993 and provides an overview of the implementation of work force restructuring plans and community transition activities during fiscal year 1999.

COMMUNITY TRANSITION FUNDING, ASSISTANCE AND POINTS OF CONTACT REFERENCE GUIDE

In June 2000, the third edition of the *Community Transition Funding, Assistance, and Points of Contact Reference Guide* was completed. This guide provides information on federal and state economic development funding, assistance, and points of contact. The guide is for planning purposes only and is not intended as a solicitation.

WORKSHOP ON GASEOUS DIFFUSION PLANTS AND EARLY SITE CLOSURES SUMMARY REPORT

In June 2000, the *Workshop on Gaseous Diffusion Plants and Early Site Closures Report Summary* was completed. On March 6-7, 2000, the Office of Worker and Community Transition conducted this Workshop in Cincinnati, Ohio. The two-day Workshop focused on work force management issues associated with early site closure and potential steps to mitigate work force reductions at Portsmouth, Ohio and Paducah, Kentucky.

WORK FORCE RESTRUCTURING ACTIVITIES

VOLUNTARY SEPARATION PROGRAMS OFFERED AT PORTSMOUTH AND PADUCAH

On May 4, 2000, the Department of Energy (DOE) in cooperation with United States Enrichment Corporation (USEC) announced voluntary separation incentive programs that will be offered at the Piketon, Ohio and Paducah, Kentucky gaseous diffusion plants to mitigate the impact of work force reductions. Due to normal attrition, increases in project work, more DOE work than anticipated and other factors, USEC has advised DOE that the number of anticipated reductions has been revised downward from 850 to approximately 540.



All impacted workers will receive medical benefits to cover employer paid premiums, training assistance up to \$10,000, relocation and outplacement assistance based on established criteria.

The voluntary separation incentive programs will provide workers two options for voluntary separation. The first will provide a lump sum payment in lieu of earned severance totaling \$12,500 for workers who began working at the plants on or after July 1, 1993, the date of USEC's creation, and \$17,500 for workers whose careers began before that date. Workers with under one year's service could receive a payment of \$6,250. The second option would allow workers who volunteer to separate to receive a payment equal to their earned severance. USEC will contribute \$2,500 for each lump sum option participant, with remaining costs funded by DOE.

It is anticipated that the lump sum option will be especially attractive to less senior workers whose earned severance would be well below the lump sum payment. Voluntary separation incentives offered at the plants over the last two years were more attractive to more senior workers since enhancement was based on the amount of earned severance. The severance payment option will be more attractive to those more senior workers who are willing to consider separation from employment at the plants.

Acceptance for participation in these programs is contingent on determinations by USEC that a worker's separation is consistent with its ongoing business requirements. The opportunity to apply for participation in these voluntary separation programs began on May 5, 2000, and was open until at least May 24, 2000. Of 339 total reductions to occur in July 2000, 199 will be through this voluntary program. It is anticipated that 137 of 201 separations between August and December 2000 will be through the voluntary program. Any involuntarily separated workers will receive earned severance, the benefits available for voluntarily separated workers, and preference-in-hiring by DOE contractors and subcontractors.

EARLY RETIREMENT PROGRAM AT WEST VALLEY

In May 2000, the manager of the Ohio Field Office advised the Office of Worker and Community Transition (WT) that West Valley Nuclear Services has indicated that due to budget restraints and a change in the scope of work, there is a need to reduce its work force by 75-100 positions. The site's work is changing from vitrification to decontamination and decommissioning activities. The contractor proposes an early retirement program to address this work force restructuring requirement. The site is not a defense nuclear site and therefore, is not eligible for funding under section 3161. WT will review this request in coordination with the Ohio Field Office, and the Department of Energy's Offices of Environmental Management and Management and Administration.

EARLY RETIREMENT AT SAVANNAH RIVER

On April 12, 2000, the Office of Worker and Community Transition approved the request of the manager of the Savannah River Operations Office for Westinghouse Savannah River Company



(WSRC) to offer an early retirement incentive program to help improve operational efficiency based on recent work force analysis. That analysis identified 790 excess positions. WSRC plans to utilize internal reassignment and to not fill certain vacancies in conjunction with the early retirement program to achieve this work force restructuring. A total of approximately 240 workers applied for participation in the program. The contractor is now assessing if further work force restructuring is necessary.

VOLUNTARY SEPARATION PROGRAM AT FERNALD

The Ohio Field Office advised the Office of Worker and Community Transition that the voluntary separation program at Fernald to achieve needed work force adjustments ended with 49 workers voluntarily separating. No involuntary separations will be required.

COMMUNITY TRANSITION ACTIVITIES

PORTSMOUTH GRANT

On April 25, 2000, a \$3.0 million grant for community transition was made available to the Southern Ohio Diversification Initiative, the local Community Reuse Organization, to mitigate the adverse impacts of the closing of the Portsmouth Gaseous Diffusion Plant. This funding was part of the United States Enrichment Corporation funding agreement with the Department of Energy. The grant will be used for the following purposes:

- (1) support for industrial park development;
- (2) support for a business incubator;
- (3) seed funds for small businesses and entrepreneurs;
- (4) airport improvement programs;
- (5) establishment of a multipurpose training facility; and
- (6) assist in reindustrialization and reuse programs.

PADUCAH GRANT

On April 25, 2000, a \$2.0 million grant for community transition was made available to the Paducah-Area Community Reuse Organization, the local Community Reuse Organization, to mitigate the impact of employee reductions at the Paducah Gaseous Diffusion Plant (GDP). This funding was part of the United States Enrichment Corporation funding agreement with the Department of Energy. The grant will be used for the following purposes:

- (1) establishment of a revolving loan fund;
- (2) marketing/technical assistance;
- (3) identification of industrial parks;



- (4) recruitment of new businesses; and
- (5) reuse, lease and sales of GDP facilities and property.

LABOR RELATIONS ACTIVITIES

PROTECTIVE FORCE AGREEMENT AT IDAHO NATIONAL ENGINEERING AND ENVIRONMENTAL LABORATORY (INEEL)

The International Union, Security, Police and Fire Professionals of America, formerly the United Plant Guard Workers, and Bechtel B&W Idaho reached agreement on a new collective bargaining agreement, which was ratified by the union on May 29, 2000.

REQUEST FOR PUBLIC DOCUMENT(S)

Name: _____

Organization: _____

Position: _____

Street address: _____

City and state: _____

Zip code: _____

Phone: _____

Fax: _____

E-mail address: _____

DOCUMENTS REQUESTED:

1. _____
2. _____
3. _____
4. _____
5. _____

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FAX OR MAIL TO:

**Ms. Clara M. Foster
Office of Worker and Community Transition, WT-1
Forrestal Building, Room 6E-034
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, D.C. 20585-0110
Fax: 202-586-1540**